



Cabinet
15 December 2015

**Report from the Strategic Director of
Environment and Neighbourhoods**

For Action

Wards Affected: ALL

**Agreement to a Revised Service Level Agreement between LB Brent
and LB Harrow for the Trading Standards Consortium**

1.0 SUMMARY

- 1.1 This report seeks approval to revise the longstanding service level agreement with London Borough of Harrow for the continued provision of trading standards through a shared service arrangement.

2.0 RECOMMENDATIONS

- 2.1 That Cabinet agree the continued provision of trading standards through a shared service arrangement with the London Borough of Harrow.
- 2.2 That Cabinet delegates authority to the Strategic Director, Environment & Neighbourhoods in consultation with the Director of Legal & Procurement to agree revisions to the service level agreement necessary to enable shared service arrangements to continue to operate in an efficient and effective manner.

3.0 DETAILS

Background

- 3.1 Brent has provided a Trading Standards service for Harrow on a consortium basis since the demise of Middlesex County Council on 1 April 1965 – thus the shared service will celebrate its 50th anniversary next April. Originally, the service encompassed the Boroughs of Harrow, Brent and Ealing. However, Ealing left the consortium in early 1994.
- 3.2 In 1996, a formal consortium agreement was drawn-up between Brent and Harrow based upon the prior agreement between the three parties but with safeguards to allow each borough to establish its own preferred level of service. Brent's ability to determine the level of service and require the other boroughs to contribute proportionately to the costs of the service had been a major issue motivating Ealing to leave the Consortium.

- 3.3 In 2001 further change was required to the Consortium arrangements with the introduction of the Executive system of governance. Prior to this point the Consortium had been overseen by a Joint Consortium Committee which had some limited decision making powers. With the introduction of the Executive arrangements the Committee could only retain decision making powers if the Committee became a Sub Committee of the Executive. The decision was taken to remove the decision making powers from the committee and a Joint Advisory Board comprising three Members from each authority was established. Provisions regarding the remit of the Joint Advisory Board are contained in Part 2 of the Constitution.

Service Level Agreement

- 3.4 Although a working text of a new Consortium Agreement was prepared and agreed between Brent and Harrow officers in 2003 (the Agreement) it is believed that it was never formally signed. Both Boroughs have operated the Agreement as though it had been signed. Harrow have, in any event, made specific delegations of powers to Brent officers to enable the Brent staff to undertake their duties in Harrow and to act on Harrow's behalf. The Joint Advisory Board has met as required by the Agreement. All the financial provisions of the Agreement have been honoured by both parties.
- 3.5 The 2003 Agreement is now out-dated in many respects. The Agreement included for example references to fixed costs, activity costs and apportionable costs assuming that the Trading Standards service would continue to hold devolved budgets for elements such as accommodation, finance, HR and IT support . In Brent these have now been centralised.
- 3.6 Given that changes to the Agreement have been identified as necessary to ensure the continued efficient and effective operation of a shared trading standards service, Officers from Brent and Harrow have been in discussion regarding a revised agreement. The proposed revised agreement would address the issues detailed in paragraph 3.5, simplifying and making more workable the budget setting processes for the two boroughs and reflecting the changed Executive arrangements for both boroughs. It proposes some other changes, including:
- simplified invoicing and payment arrangements to cover the cost of the service;
 - updated definitions of overheads and fixed costs to reflect the changes in accounting for these costs within Brent Council - the host authority;
 - adjusted dispute resolution arrangements to exclude the Secretary of State and instead use the Institute of Arbitration;
 - shortening the 'do nothing' period that allows for a review of whether to recruit by both boroughs, in the event of staff vacancies;
 - removed references to the demised Best Value government requirement;
 - updating performance and financial reporting and oversight arrangements;
 - extending the notice required by either party to dissolve the arrangement from 12 months to 24 months, as the longstanding notice period is shorter than the length of many of the complex criminal cases that the service undertakes nowadays.
- 3.7 Recent changes in managerial arrangements for commissioning at Harrow, and for delivery of the service at Brent, have assisted in the development of a revised service level agreement.

- 3.8 The arrangements for the shared service were reviewed by Harrow's Cabinet on 15 January 2014, and Harrow's Cabinet agreed to:

"Note and agree the continued joint arrangements for the Trading Standards service with Brent Council"

and

"Delegate authority to the Corporate Director Environment and Enterprise in conjunction with Brent Council's Strategic Director of Environment and Neighbourhood Services and in consultation with the Portfolio Holder for Community Safety and Environment to conclude the year on year changes to the SLA to reflect the operational needs of the Council and to execute such documents as necessary"¹

4.0 FINANCIAL IMPLICATIONS

- 4.1 Efficiencies of scale, permit both councils to deliver trading standards services that have a far greater impact than would be achieved alone. Both councils make savings from sharing management costs and the costs of fixed resources such as laboratory and evidence stores. The scale of the service means that specialisations such as financial investigation and the recovery of assets under the Proceeds of Crime Act are possible which a smaller service could not afford.
- 4.2 The proposed changes to the service level agreement have no budgetary implications.

5.0 LEGAL IMPLICATIONS

- 5.1 The shared service arrangement in respect of trading standards between Brent and Harrow is longstanding and the majority of fundamental issues for a shared service are agreed. As a result the intention is merely to review and where appropriate revise existing arrangements.
- 5.2 Under any revised agreement Harrow will continue to delegate powers to Brent Officers to act on its behalf. Brent will continue to provide the service back to Harrow pursuant to the Local Authorities (Goods and Services) Act 1970, whereby local authorities are able to provide administrative and technical services to other local authorities. Under Standing Order 87, Cabinet approval is required to enter into any arrangement over £150,000 per annum through which Brent provides services to others.
- 5.3 Brent Council and Harrow Council are both weights and measures authorities by virtue of Section 69 Weights and Measures Act 1985. This service level agreement is a joint arrangement under section 101(5) of the Local Government Act 1972 for the discharge of functions of a weights and measures authority.

6.0 DIVERSITY IMPLICATIONS

- 6.1 None.

7.0 STAFFING / ACCOMMODATION IMPLICATIONS

¹ <http://www.harrow.gov.uk/www2/documents/s111953/Trading%20Standards.pdf>

- 7.1 The shared service is delivered from Brent Civic Centre and the proposed revisions to the service level agreement have no current staffing or accommodation implications.

8.0 BACKGROUND PAPERS

- 8.1 None

9.0 CONTACT OFFICERS

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